

**GLO-CDR Regulatory Oversight – Policy Memo on Project Re-evaluations**

**Date:** August 20, 2021  
**To:** CDBG-DR Subrecipients/Responsible Entities/Certifying Officers  
**From:** Jill Seed, Director, GLO-CDR Regulatory Oversight  
**Through:** Heather Lagrone, GLO-CDR Senior Deputy Director *HL*  
**Subject:** Responsibilities of Subrecipients/Responsible Entities/Certifying Officers regarding project re-evaluations per 24 CFR 58.47

Subgrantees who receive CDBG-DR funds administered by the TXGLO are considered responsible entities (REs), also referred to as subrecipients, and must complete an environmental review compliant with 24 CFR 58 on all project activities before CDBG-DR funds are obligated. Under 24 CFR 58, the environmental review can be completed by the REs staff, program partners, or a hired consultant; however, the RE is ultimately responsible for the content of the Environmental Review Record (ERR) and must make an independent evaluation of the environmental issues, take responsibility for the scope and content of the compliance findings, and make the final environmental decision concerning project approval. The RE is also responsible for ensuring any mitigation measures or conditions for approval are implemented and for maintaining the ERR in accordance with HUD requirements.

Each RE must designate a Certifying Officer who is ultimately responsible for signing off on the completeness of environmental reviews as described in 24 CFR 58.13. The GLO Regulatory Oversight team may choose to conduct additional compliance spot checks on sections of the subrecipients ERRs prior to issuing the Authority to Use Grant Funds (AUGF); however, this is neither a guaranteed service nor a federal requirement. As such, GLO is not responsible for any inaccuracies in the ERR and should the ERR fail to meet federal/state requirements, including applicable Federal Register requirements, the RE is financially responsible for the oversight and any corrective action required.

Anytime there is a change in scope of work post-AUGF, the re-evaluation process in 24 CFR 58.47 must be followed in accordance with GLOs Project Re-evaluation process prior to any work being initiated or funded. For brevity, a re-evaluation is required when the project footprint or area of potential effect (APE) changes regardless of the amount of linear feet/area, project activities are added/removed, unexpected conditions arise, or changes are made to the nature, magnitude, or extent of the project. If the original finding is assessed as still valid, the ERR would be updated with a memo to the file, which is commonly referred to as a Letter of Re-evaluation or LRE. If the original finding is assessed as no longer valid the RE may have to prepare a new environmental review and proceed with the approval process, which includes but is not limited to a new environmental review, public notices, public comment and objection periods, and a new Request for Release of Funds (RROF) and AUGF. For reference, the GLOs Project Re-evaluation Process One Pager and Project Re-evaluation Checklist are appended to this memo. Please note that these procedures may change, and the RE should always contact the Regulatory Oversight team at [env.reviews@recovery.texas.gov](mailto:env.reviews@recovery.texas.gov) for the most recent guidance.



## Memo

### COMMUNITY DEVELOPMENT & REVITALIZATION (CDR) Texas General Land Office

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If a RE fails to comply with 24 CFR 58.47 and the GLO Project Reevaluation Process post-AUGF, a choice limiting action as described in 24 CFR 58.22(a) may have occurred. Per 24 CFR 58.22(a), neither a recipient nor any participant in the development process, including public or private nonprofit or for-profit entities, or any of their contractors, may commit HUD assistance under a program listed in § 58.1(b) on an activity or project until HUD or the state has approved the recipient's RROF and the related certification from the responsible entity. In addition, until the RROF and the related certification have been approved, neither a recipient nor any participant in the development process may commit non-HUD funds on or undertake an activity or project under a program listed in § 58.1(b) if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives.

According to 24 CFR 58.72, in cases where the GLO is exercising HUD's responsibilities outlined in 24 CFR 58.18 and has approved a certification and RROF but subsequently learns that the RE violated 58.22(a) or otherwise failed to comply with any applicable environmental authority, the GLO can impose appropriate remedies and sanctions in accordance with the law and regulations for the program under which the violation was found. This may include repayment of federal funds.

The GLO requests acknowledgment of these requirements by each REs Certifying Officer. Please sign and submit to the appropriate GLO Grant Manager.

GLO Contract #: \_\_\_\_\_

Responsible Entity Certifying Officer name: \_\_\_\_\_

Responsible Entity Certifying Officer signature and date: \_\_\_\_\_

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